

# Contract Cash Flow & Performance Analysis

*PERCEPTION*® Helping The  
Shipyards Stay On Budget

**Shipyards that know their true costs are more likely to be profitable and are in a better position to challenge their competition.**

**They can focus their efforts and resources on those areas that can benefit the most from productive change.**

**A shipyard would never know this unless it had a means for measuring benefits and their relative impact upon profits.**

**World-class shipyards have a strong focus on maximizing the efficiency of their manufacturing and assembly processes. They strive to perform work at the most productive stages of construction, eliminate wasted time, and simplify shipyard production processes.**

**These shipyards execute effective production plans and work hard to successfully stay on budget and on schedule. They know where they are and where they are going.**

**Critical to the success of any project is the management of project resources. Ultimately, the resource that matters most is money.**

***PERCEPTION* tasks and forecasts money resources at all levels of a project work breakdown structure.**

**The system produces reports that clearly identify project status and trends in straight-forward, no nonsense money terms.**

***Turn VISABILITY into ACTION***

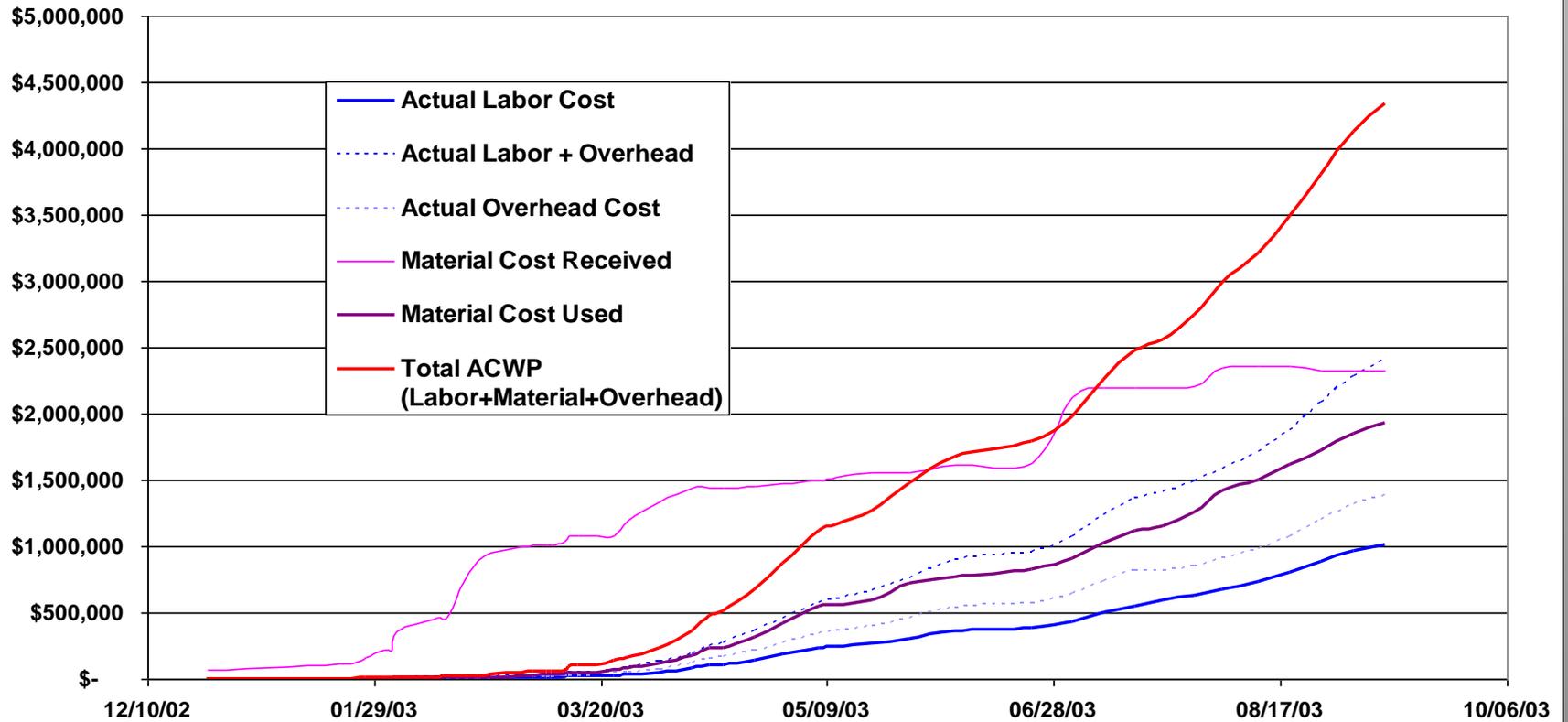
***PERCEPTION*** summarizes performance at all levels of a project. The following presentations describe those that are critical to the management of any project.

- 1. Tracking progress and estimates at completion: these reports track budget (BAC), earned value (BCWP), actual costs (ACWP), budgeted cost of work scheduled (BCWS), and estimate at completion (EAC), as well as cost/schedule variances, trends, and management reserves (MR).**
- 2. Measuring and summarizing work order performance in terms of costs and schedules. The system can focus on any selection of work orders for in-depth analysis of detail performance.**
- 3. Measuring and summarizing work center performance in terms of costs and schedules. The system can focus on any selection of work orders for in-depth analysis of production process performance.**
- 4. Measuring and summarizing cash flow requirements. The system tracks cash flow requirements for labor, material & overhead. The system details commitments, receipts, and usage of direct purchase material, subcontract work, owner-furnished material and general stock.**

# Tracking Actual Costs

*PERCEPTION* tracks project cash flows of actual costs broken down for labor, material & overhead.

Tracking Actual Costs

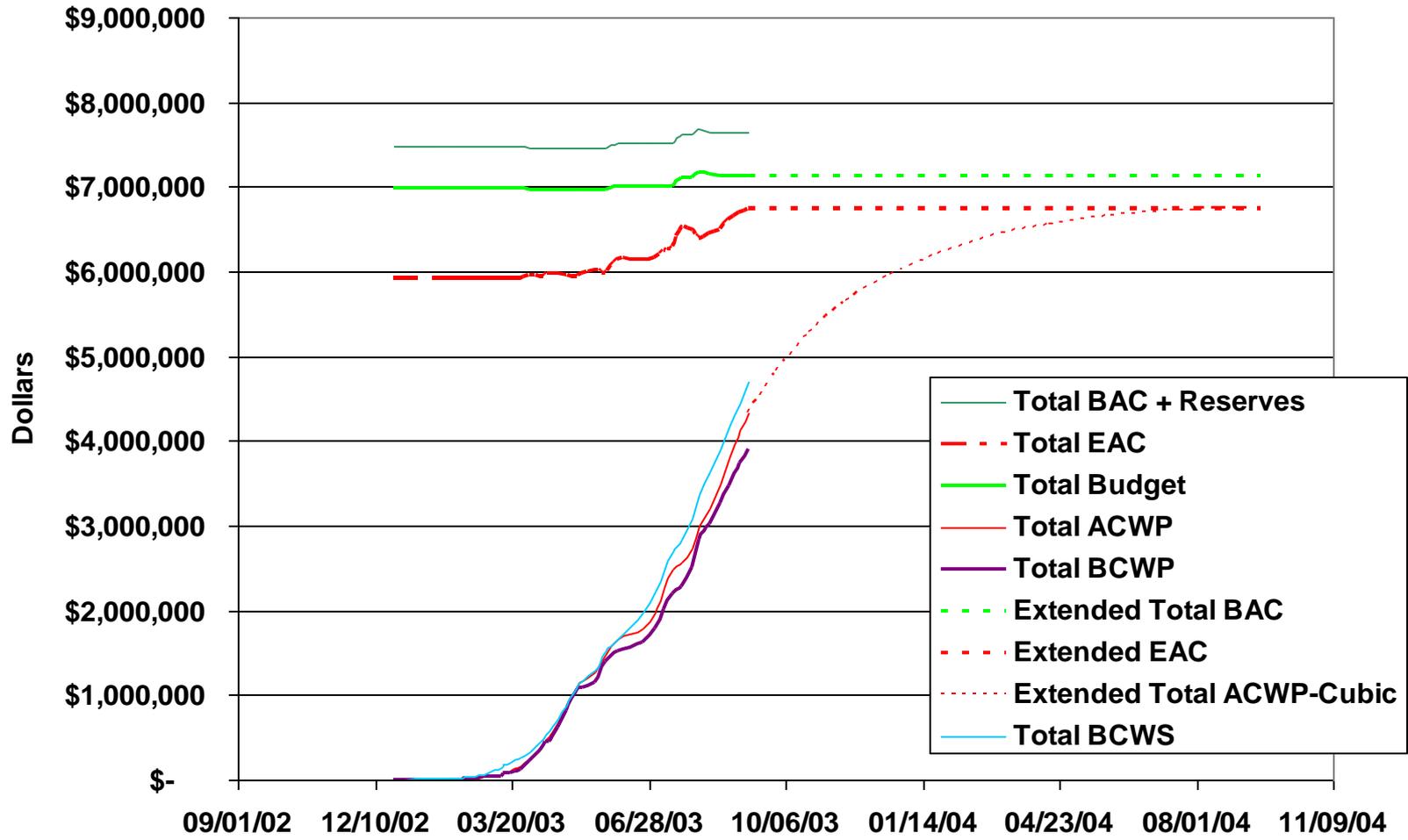


# Tracking Cash Budgets & Estimates At Completion

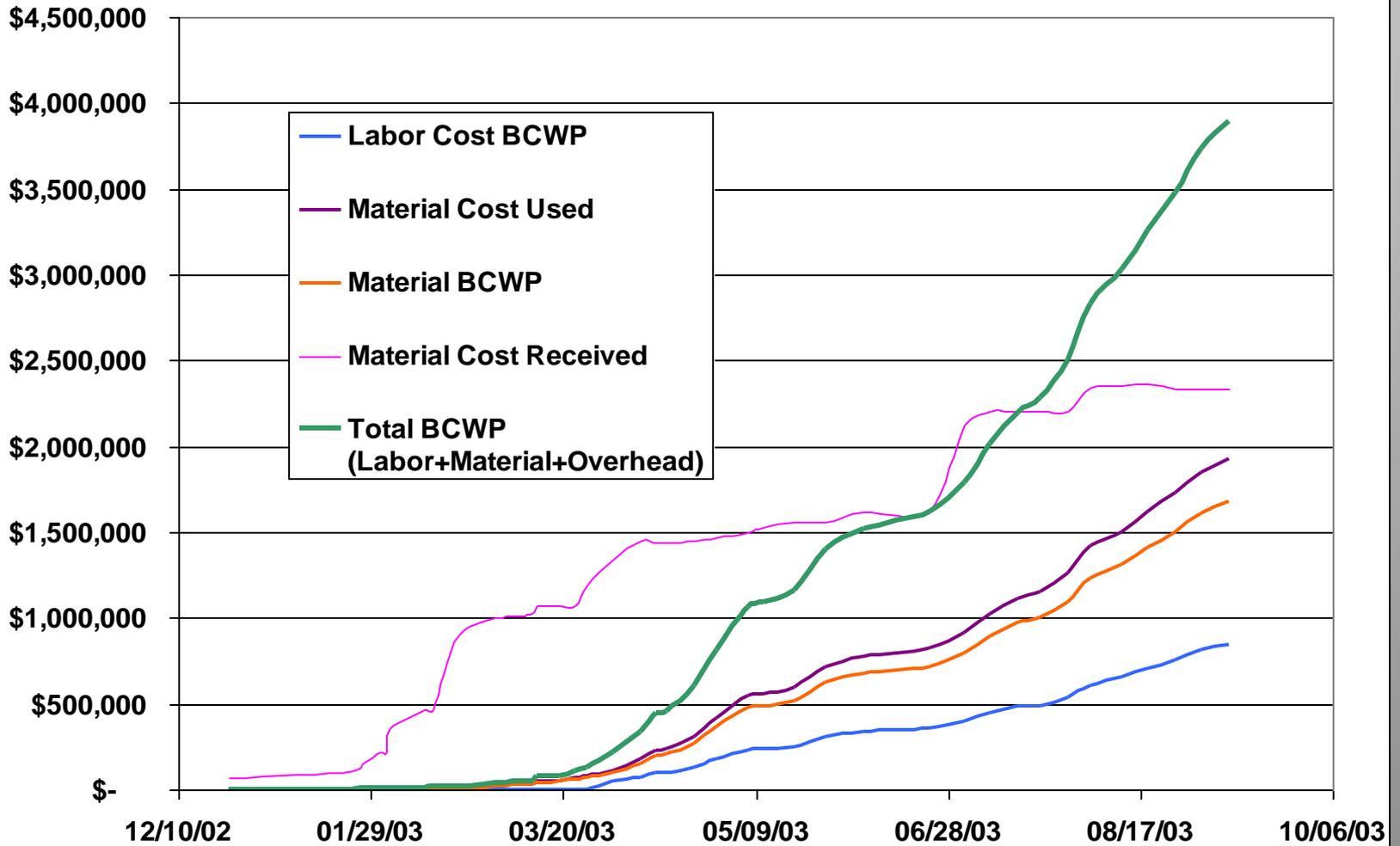
*PERCEPTION* tracks project cash flows of actual costs (labor, material & overhead) against budgets (BAC), management reserves( (MR) and estimates at completion (EAC).

The system employs a number of methods for determining EACs, most of which are based directly upon actual accumulating cost performance of a project and their trends towards completion.

### Total Cash Budget Versus EAC (Labor, Material & Overhead)



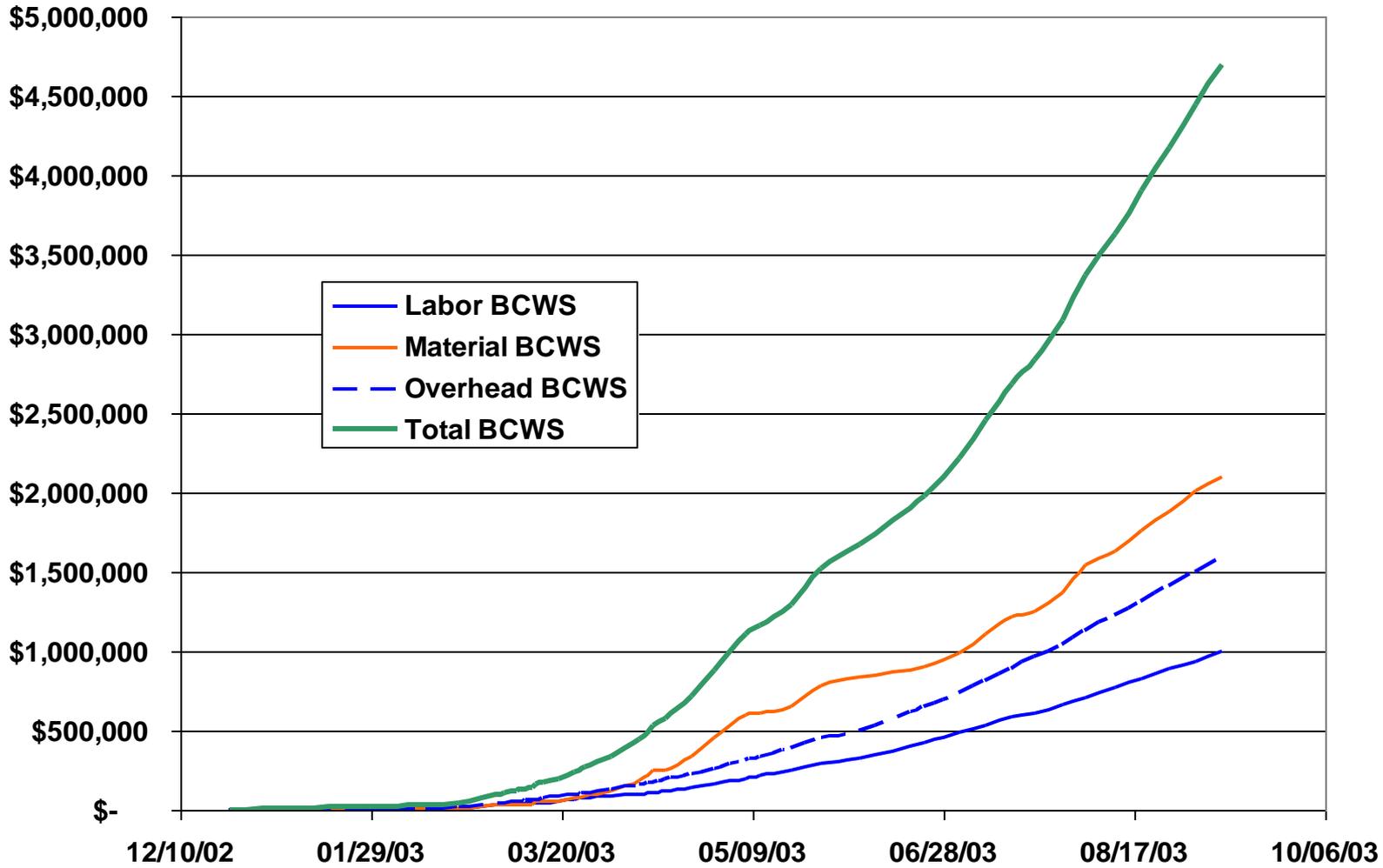
### Tracking Earned Values Costs



# Tracking Cash Flow Schedules

*PERCEPTION* measures and tracks cash flow schedules (budgeted cost of work scheduled, or BCWS) broken down for labor, material & overhead.

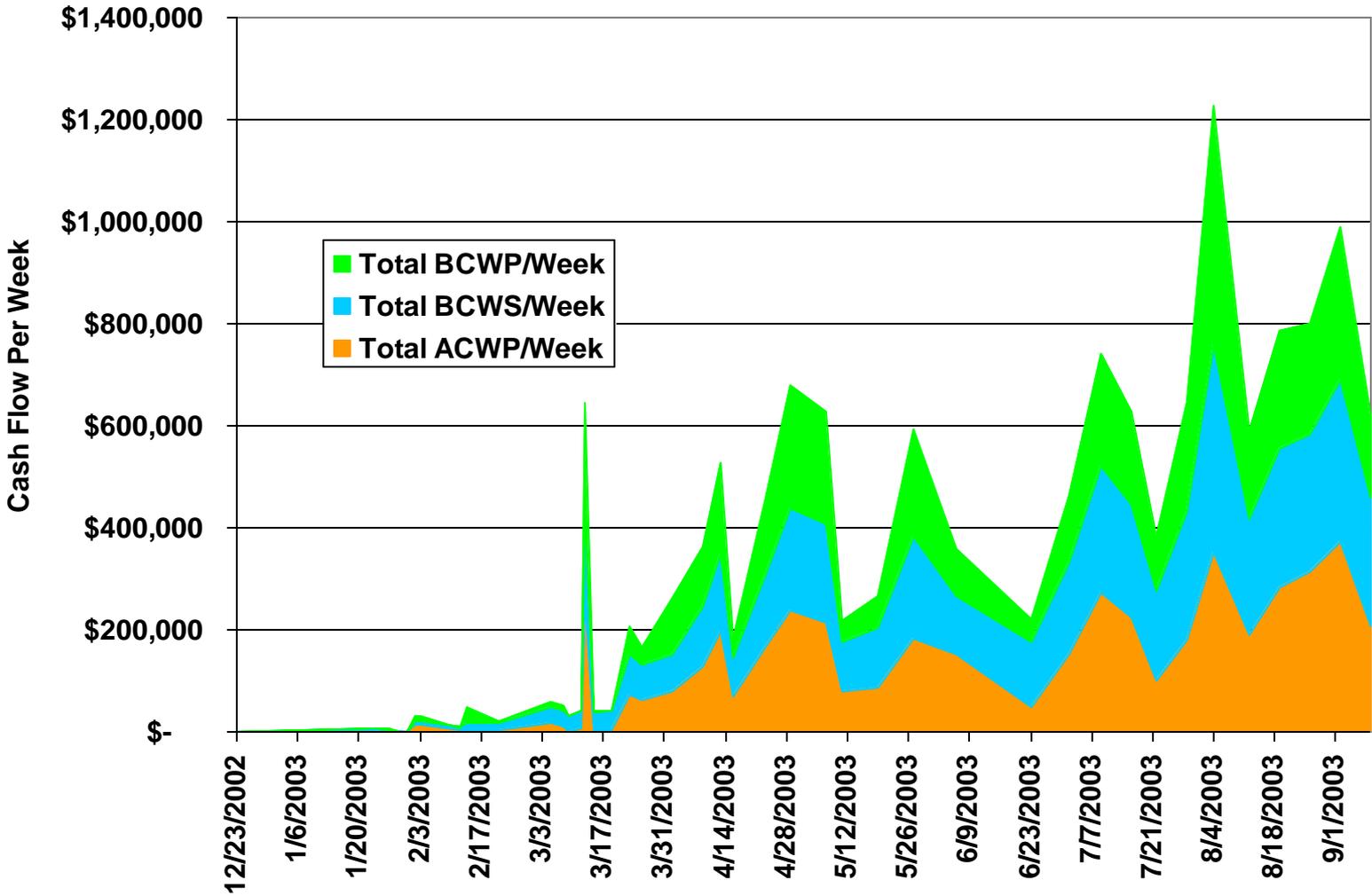
### Tracking Cash Flow Schedules



# Tracking Cash Flow Requirements

*PERCEPTION* measures and tracks cash flow requirements on an incremental basis broken down for labor, material & overhead.

### Tracking Cash Flow Requirements Per Week

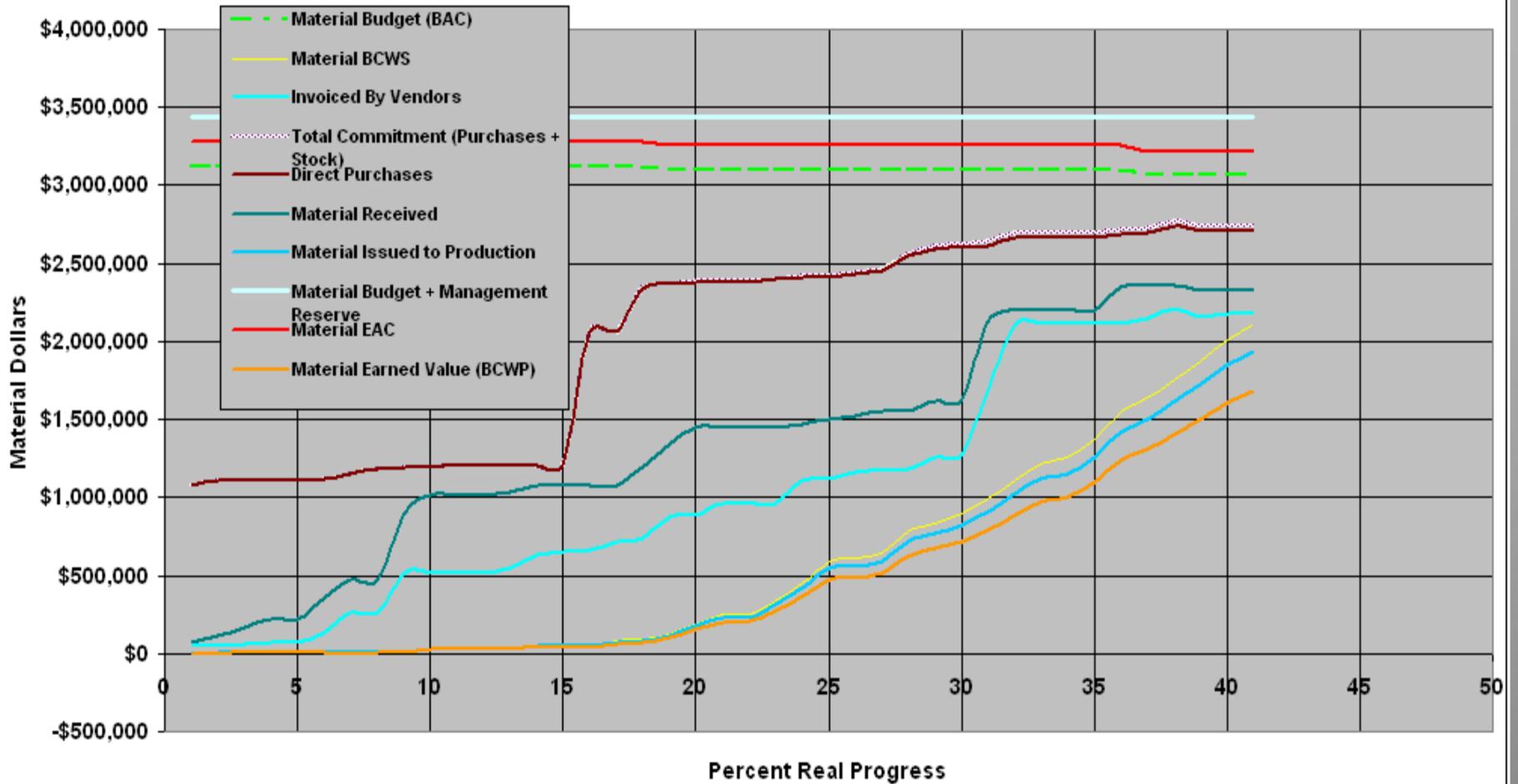


# Tracking Material Costs

*PERCEPTION* tracks material and subcontract costs and relating them to budgets, management reserves, and estimates at completion.

*PERCEPTION* tracks material values at all stages of material control: purchased, received, used in production, and invoiced by vendors.

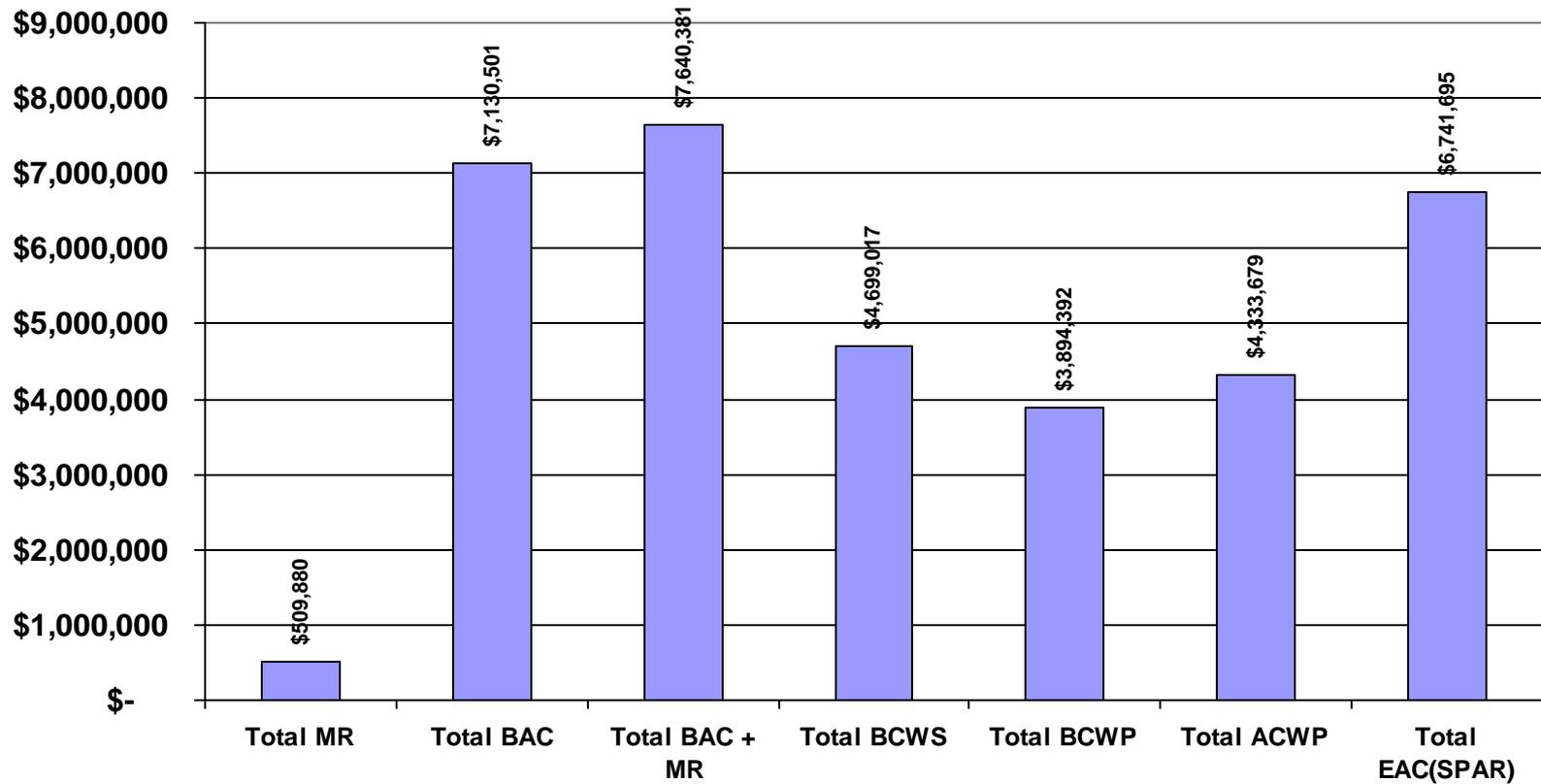
### Material Cost Status



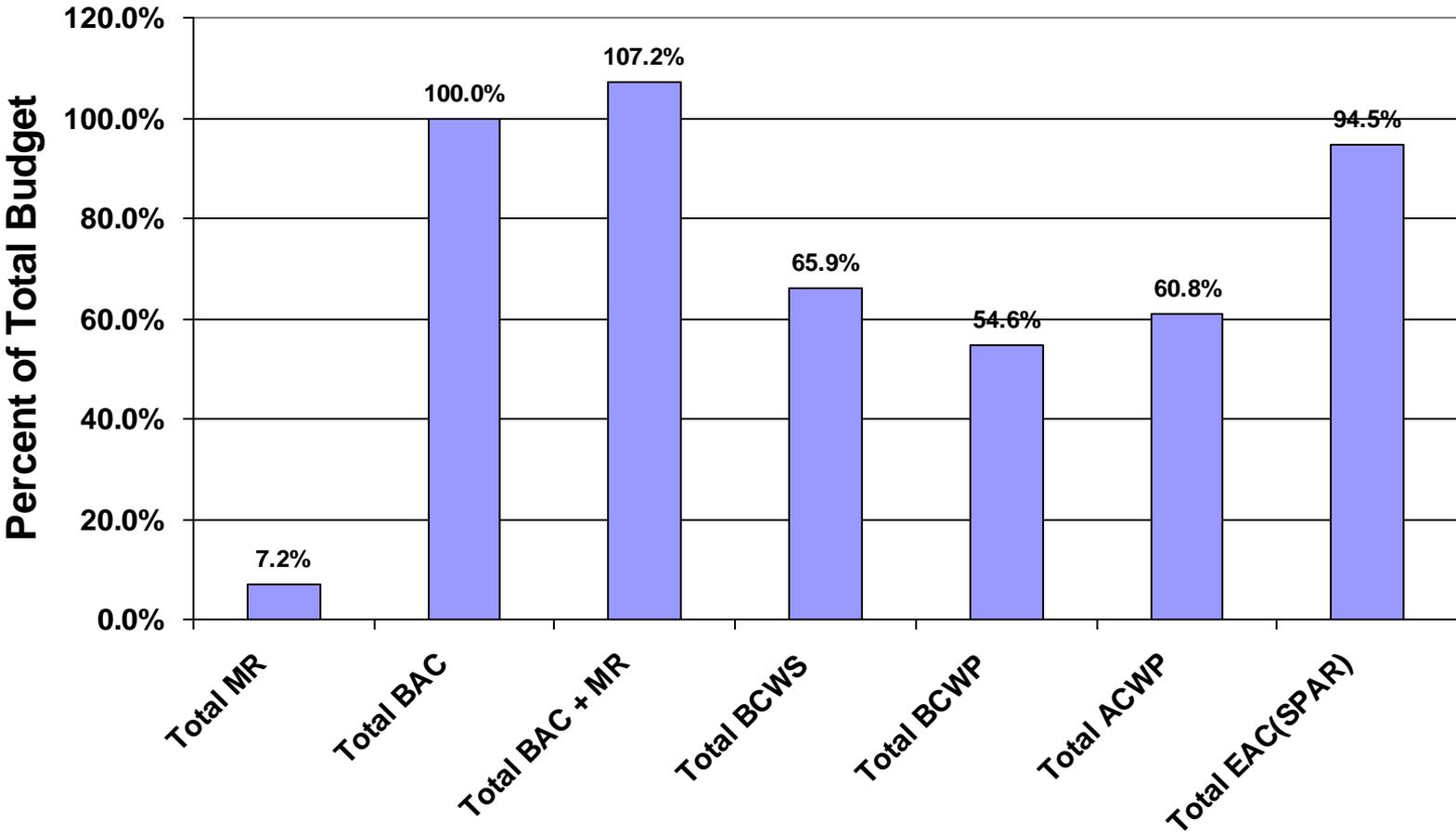
# Tracking Earned Value Costs

*PERCEPTION* measures and tracks earned value (budgeted cost of work performed, or BCWP) costs broken down for labor, material & overhead.

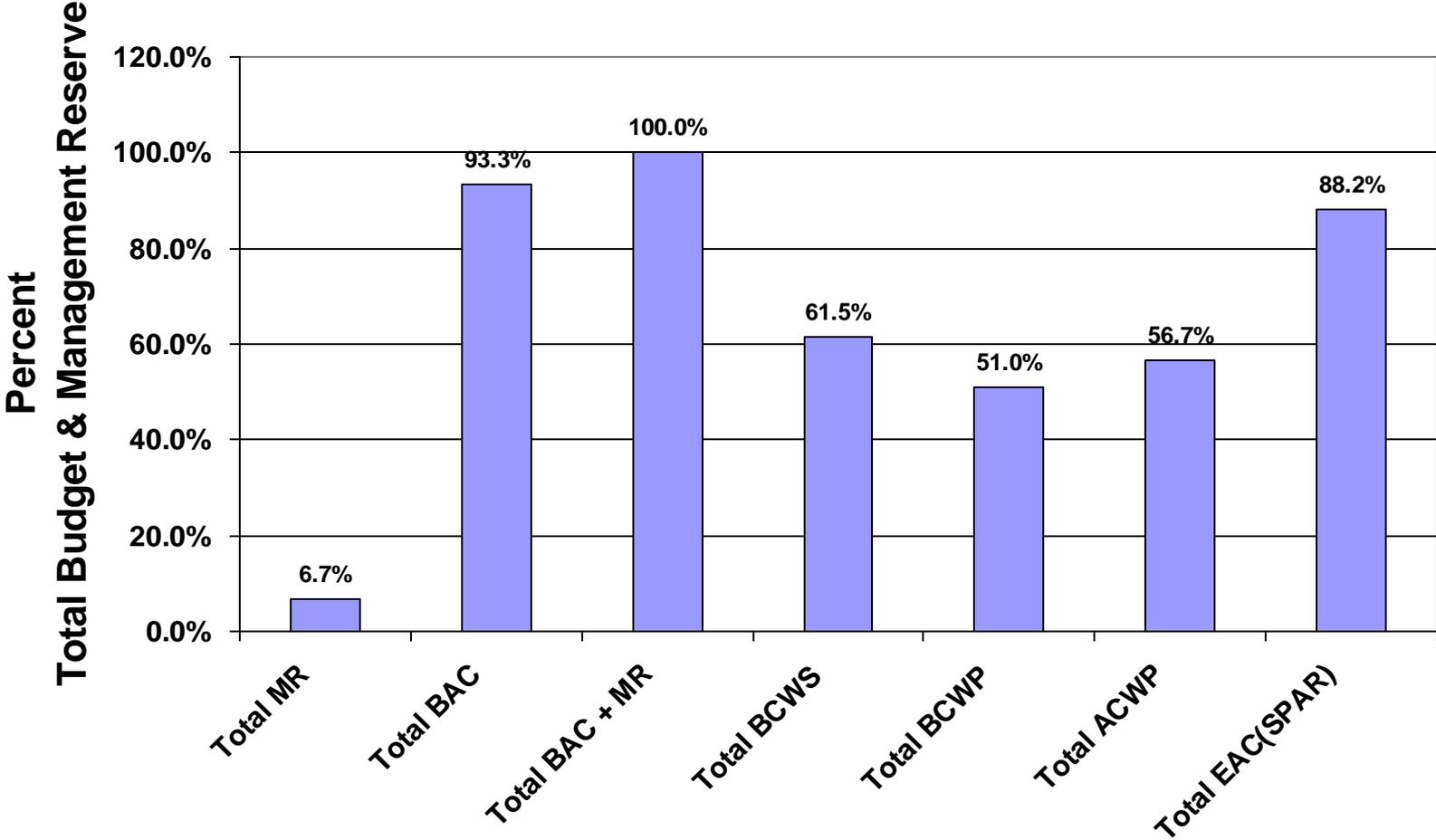
## Total Cost Performance (Labor, Material & Overhead)



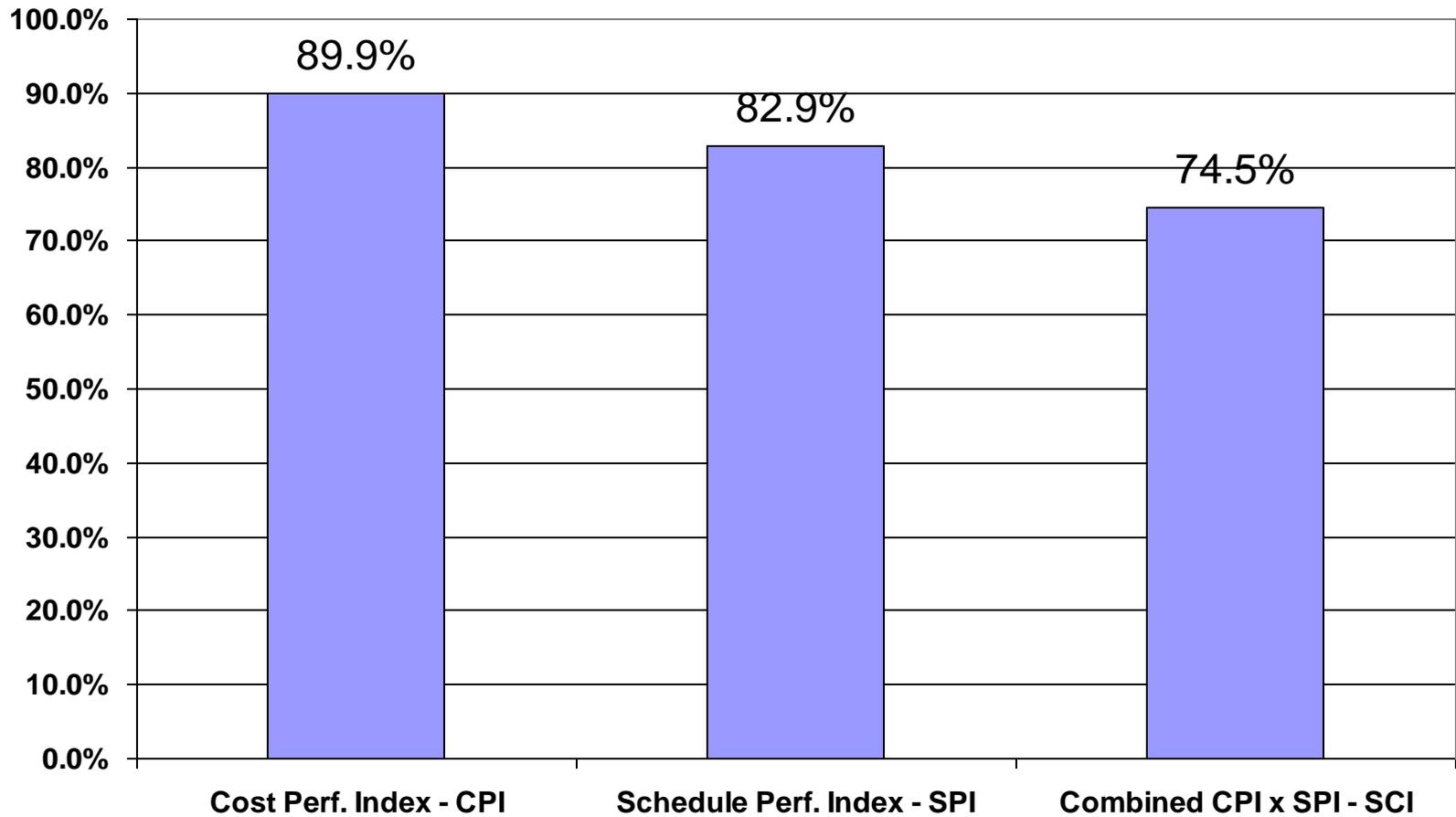
# Total Cost Performance (Labor, Material & Overhead)



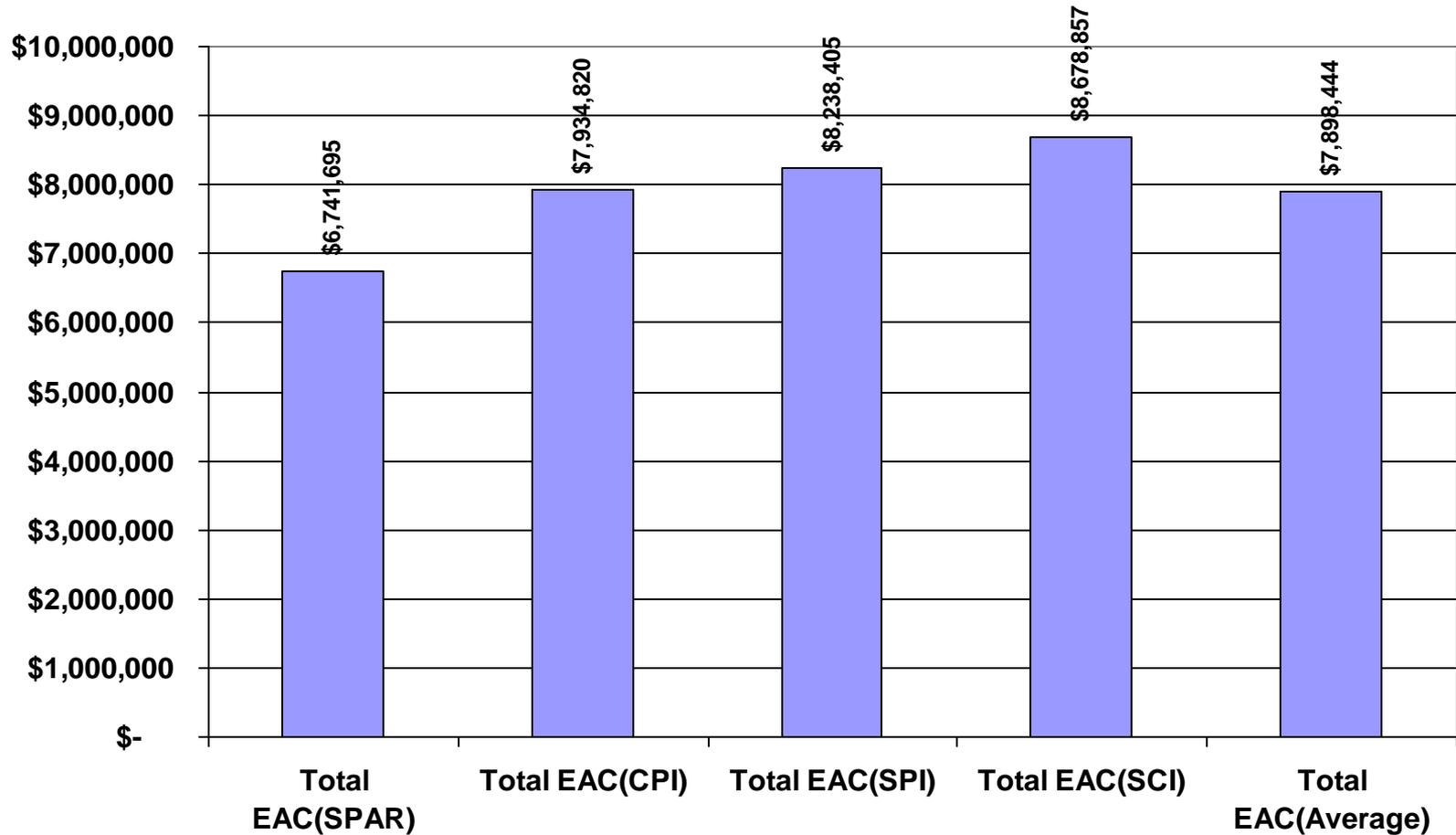
# Total Cost Performance (Labor, Material & Overhead)



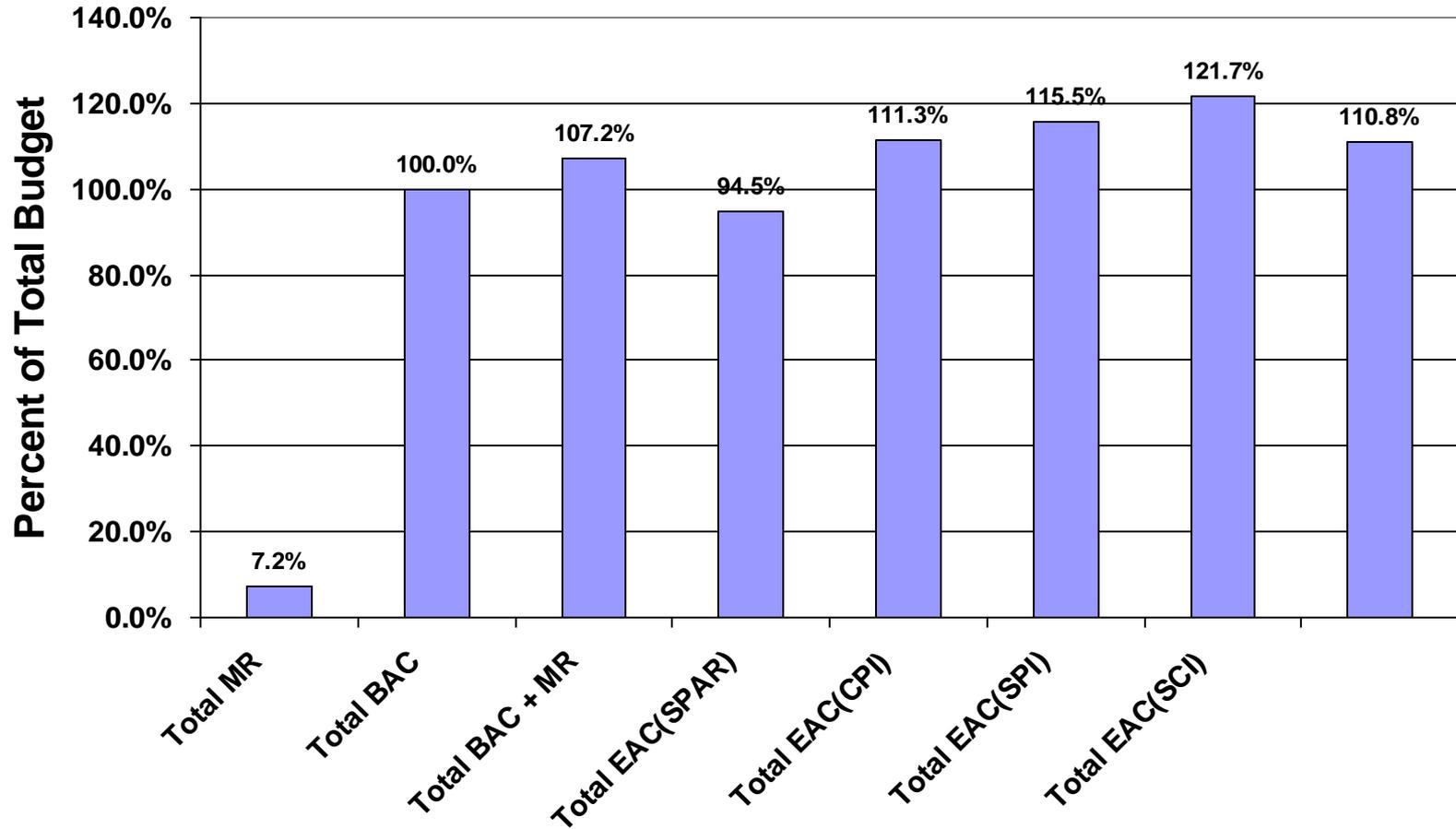
## Overall Performance Index (Labor, Material & Overhead)



## Comparing Total EAC Methods (Labor, Material & Overhead)



## Comparing Total EAC Methods (Labor, Material & Overhead)



# **SPAR Associates, Inc.**

## **Over 40 Years Providing**

- **Shipyard management software**
- **Software development services**
- **Training & maintenance support**
- **Planning & scheduling services**
- **Cost estimating services**
- **Management consulting**

# Over 40 Years Serving the Shipbuilding & Repair Industry

